

Grantee: South Bend, IN

Grant: B-08-MN-18-0011

October 1, 2009 thru December 31, 2009 Performance Report

Grant Number:

B-08-MN-18-0011

Obligation Date:**Grantee Name:**

South Bend, IN

Award Date:**Grant Amount:**

\$4,098,521.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Submitted - Await for Review

Submitted By:

No Submitter Found

Disasters:

Declaration Number

NSP

Plan Description:

The foreclosure and abandonment risk score, developed and provided to grantees by HUD, was created to indicate the level of risk that an area will have foreclosures and abandonment. It was determined that those census tracts in the City of South Bend with the greatest risk score (a score of ten), based on the HUD provided data, were in greater need than those areas with a lower risk score. However, South Bend has a total of 25 census tracts with a risk score of ten (2, 3.01, 4, 5, 6, 9, 10, 14, 15, 17, 19, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 33, 34 and 111). So these 25 census tracts were further evaluated based on the percentage of high cost loans, percentage of residential vacancy, number of foreclosures, the forecasted foreclosures, and percent of subprime loans. HUD also provided data on the percentage of loans made between 2004 and 2006 that are high cost by census tract. High cost loans are considered to be loans with an interest rate three percentage points higher than a benchmark rate (for a first mortgage). Census tracts 30, 5, 21, 27 and 4 were the top five, respectively, for percentage of high cost loans. Each census tract had between 61% and 65% of all loans made in the area defined as high cost. In addition, HUD data included the residential vacancy rate, which was developed based on information from the U.S. Postal Service on addresses that have been vacant for 90 days or longer, as of June 2008. The top five census tracts for percentage of residential vacancy were 6, 21, 30, 19 and 4 respectively. In census tract 6 and 21, over 35% of all residential units were vacant. The City of South Bend utilized Sheriff Sale data, which compiled, for the years 2001 - 2007 in the determination of the areas of greatest need. At Sheriff Sale properties that are going through foreclosure are officially purchased back by the lending institution - one of the final steps of the foreclosure process. Over 500 foreclosures have occurred in census tract 6 during that timeframe - accounting for 7.7% of all of South Bend's foreclosures. The remaining top five census tracts for foreclosures are 4, 2, 34, and 31 respectively. Based on the collected foreclosure data, forecasted foreclosures for 2008 and 2009 were developed (through use of linear regression). These forecasted figures help provide an understanding of where foreclosures will continue to happen based on the trend from 2001 - 2007. It is anticipated that census tract 6 will remain at the top of the list with 118 foreclosures forecasted in 2008. The City of South Bend was provided subprime mortgage data from researchers at the University of Notre Dame who are studying foreclosures in St. Joseph County Indiana. HUD classifies lenders as subprime or not, based on whether it is believed to have subprime lending practices. The lender of each loan made in the city of South Bend between 2001 and 2006 was compared to the list of HUD classified subprime lenders and the percentage of total loans made by subprime lenders was determined. Based on the above listed factors, the tracts were prioritized to determine which areas are in the greatest need. Ranks were added, with equal weight, divided by five to determine the average rank amongst the criteria then assigned an overall rank (the lowest average rank being the greatest area of need). Based on this methodology, the greatest area of need is census tract 6, followed by 4, 30, 21 and 5.

Recovery Needs:

The City of South bend examined census tracts based on available information related to the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need. In determining area of greatest need the City of South Bend examined the areas of greatest need by looking at:

*Area with greatest percentage of home foreclosures by utilizing home foreclosures data.

*Area with the highest percentage of homes financed by subprime mortgage related loans by utilizing percentage of high cost loans data and percentage of subprime loans data.

*and areas identified by the grantee to face a significant rise in the rate of home foreclosure by utilizing forecasted home foreclosure data and vacancy rate data. In addition, the City used other criteria to determine the location of other areas that had a great need to foreclosure assistance. These criteria included proximity to the top five areas of need, portions of census tracts that have a high concentration of foreclosures and ability/capacity to implement projects in an area.

Based on the data the areas of greatest need were identified as census tracts 6, 4, 30, 21 and 5. In addition to these areas, the City identified census tract 19 as an area in greatest need based on the data and the foreseen likelihood of foreclosures. Census tract 19 is ranked as the 10th most in need area; however it is believed that its proximity to four of the top five census tracts makes it a critical area to help stabilize. There is a concentration of foreclosures in the northwest corner of the census tract, with is immediately adjacent to census tract 6, 21 and 5.

A portion of the funds are required to be spent providing housing to households whose income do not exceed 50 percent of the area median income. These funds totaling \$1,024,630 (which is 25% of our allocation) will be used to develop permanent rental apartments for the special needs population; however the partner agency has yet to be determined for this project. As such the exact location of the facility (s) will be determined based on the needs of the population being served and the partner agency.

The remaining available funds will be spent on a variety of projects in compliance with the Neighborhood Stabilization Program requirements to address abandoned and foreclosed properties within census tracts 6, 4, 30, 21, 5 and 19.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$3,948,521.00
Total CDBG Program Funds Budgeted	N/A	\$3,948,521.00
Program Funds Drawdown	\$71,509.02	\$96,709.06
Obligated CDBG DR Funds	\$0.00	\$1,534,629.00
Expended CDBG DR Funds	\$73,279.06	\$73,279.06
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	\$99.99	\$0.00
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$614,778.15	\$0.00
Limit on Admin/Planning	\$409,852.10	\$73,279.06
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

The City of South Bend has completed the amendment to add the rehabilitation of vacant homes. Five homes have been selected for rehab. South Bend Heritage Foundation has one new home under construction. The Near Northwest Neighborhood is in the process of rehabilitation for one foreclosed upon property. Locations have been finalized for new construction of two new group homes to benefit special needs very low income residents. Plans for the homes are being developed. Code Enforcement contracts have been executed and potential demolitions have been identified.

Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Administration	\$0.00	\$71,509.02	\$359,999.00	\$73,279.06
2, Demolition	\$0.00	\$0.00	\$563,891.00	\$0.00
3, Acquisition/Rehabilitation	\$0.00	\$0.00	\$1,350,000.00	\$23,430.00
4, Acquisition/new const/rehab	\$0.00	\$0.00	\$1,824,631.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00
NSP 08-81, Redevelopment of Vacant property	\$0.00	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number:	1 NNN
Activity Title:	administration

Activity Category:

Administration

Project Number:

1

Projected Start Date:

03/01/2009

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

03/23/2009

Responsible Organization:

Near Northwest Neighborhood

Overall
Oct 1 thru Dec 31, 2009
To Date

Total Projected Budget from All Sources	N/A	\$105,000.00
Total CDBG Program Funds Budgeted	N/A	\$105,000.00
Program Funds Drawdown	\$7,506.77	\$9,276.81
Obligated CDBG DR Funds	\$0.00	\$105,000.00
Expended CDBG DR Funds	\$9,276.81	\$9,276.81
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Administration of Neighborhood Stabilization activities

Location Description:

Census Tract 6 South Bend, IN

Activity Progress Narrative:

Rehabilitation of 711 Cottage Grove is underway. Two vacant homes have been identified for rehabilitation. Two tax sale properties have been purchased for sites for new construction. Two tax sale properties have been purchased for rehabilitation. These properties will be available in March or April. NNN is developing plans for new homes.

Performance Measures

No Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources
Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number:	2 SBHF
Activity Title:	Administration

Activity Category:

Administration

Project Number:

1

Projected Start Date:

03/01/2009

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

03/23/2013

Responsible Organization:

South Bend Heritage Foundation

Overall
Oct 1 thru Dec 31, 2009
To Date

Total Projected Budget from All Sources	N/A	\$160,000.00
Total CDBG Program Funds Budgeted	N/A	\$160,000.00
Program Funds Drawdown	\$64,002.25	\$64,002.25
Obligated CDBG DR Funds	\$0.00	\$160,000.00
Expended CDBG DR Funds	\$64,002.25	\$64,002.25
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Administration of Neighborhood Stabilization Program Activities

Location Description:

Census tracts 19 and 21

Activity Progress Narrative:

Construction has begun for the new home at 1024 W. Washington. Three vacant homes have been identified for rehabilitation. Locations for the 2 new group homes for special needs very income income residents have been finalized, plans for the homes are being developed. Still having difficulty finding foreclosed upon homes for rehabilitation.

Performance Measures

No Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number:	3 City
Activity Title:	administration

Activity Category:

Administration

Project Number:

1

Projected Start Date:

03/01/2009

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

03/23/2013

Responsible Organization:

City of South Bend

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources	N/A	\$94,999.00
Total CDBG Program Funds Budgeted	N/A	\$94,999.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$94,999.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Administration of Neighborhood Stabilization Program subgrantees and activities.

Location Description:

Census tracts 6, 19 and 21

Activity Progress Narrative:

The City of South Bend has executed all contracts for the development of new homes, rehabilitation and demolition as listed in our application except the contract for Habitat for Humanity to develop two new homes. The City's legal department is working on that contract. The City is working closely with all subgrantees monitoring progress with activities. The tax sale properties have been purchased and will be available for development in March or April. Five vacant homes have been identified for rehabilitation. The City's legal department is working on transfer of title so the subgrantees can begin rehab.

Performance Measures

No Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	4 NNN
Activity Title:	Acquisition/Rehabilitation

Activitiy Category:	Activity Status:
Rehabilitation/reconstruction of residential structures	Under Way
Project Number:	Project Title:
3	Acquisition/Rehabilitation
Projected Start Date:	Projected End Date:
03/01/2009	03/23/2013
National Objective:	Responsible Organization:
NSP Only - LMMI	Near Northwest Neighborhood

Overall	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	\$540,000.00
Total CDBG Program Funds Budgeted	N/A	\$540,000.00
Program Funds Drawdown	\$0.00	\$23,430.00
Obligated CDBG DR Funds	\$0.00	\$150,000.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Acquisition and rehabilitation of a vacant, abandoned or foreclosed upon home.

Location Description:

Census tract 6

Activity Progress Narrative:

The property located at 711 Cottage Grove in under construction. Two additional properties have been purchased at tax sale and will be available for rehab in March.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	1/5
# of housing units	0	0	0	0/0	0/0	0/5
# of Households benefitting	0	0	0	0/0	0/0	0/5

Activity Locations

Address	City	State	Zip
711 Cottage Grove	South Bend	NA	46616

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	5 SBHF
Activity Title:	Acquisition/Rehabilitation

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Under Way

Project Number:

3

Project Title:

Acquisition/Rehabilitation

Projected Start Date:

03/01/2009

Projected End Date:

03/23/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

South Bend Heritage Foundation

Overall	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	\$360,000.00
Total CDBG Program Funds Budgeted	N/A	\$360,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Acquisition and rehabilitation of vacant, abandoned or foreclosed upon homes.

Location Description:

Census tract 19 and 21

Activity Progress Narrative:

South Bend Heritage Foundation (SBHF) continues to have problems finding vacant, foreclosed upon homes that can be rehabilitated. Two homes were identified that were located just outside the targeted area. SBHF continues to look for eligible homes for rehab.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/4
# of housing units	0	0	0	0/0	0/0	0/4
# of Households benefitting	0	0	0	0/0	0/0	0/4

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number:	6 NNN
Activity Title:	Acquisition/New Const/Rehab

Activity Category:

Construction of new housing

Activity Status:

Under Way

Project Number:

4

Project Title:

Acquisition/new const/rehab

Projected Start Date:

03/01/2009

Projected End Date:

03/23/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Near Northwest Neighborhood

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources	N/A	\$480,000.00
Total CDBG Program Funds Budgeted	N/A	\$480,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Acquisition of vacant land and construction of new house for income eligible household.

Location Description:

Census Tract 6

Activity Progress Narrative:

The NNN has identified 2 potential sites for the construction of new homes. This project has been amended to include the construction of one new home and the rehabilitation of two vacant homes. The lot for new construction has been purchased at tax sale and the location of the vacant homes for rehab has been identified. The City's legal department is working on the transfer of title for the vacant homes. The tax sale property will be available in March or April.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/1
# of housing units	0	0	0	0/0	0/0	0/1
# of Households benefitting	0	0	0	0/0	0/0	0/1

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	7 SBHF
Activity Title:	Acquisition/new const/rehab

Activity Category:

Construction of new housing

Project Number:

4

Projected Start Date:

03/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition/new const/rehab

Projected End Date:

03/23/2013

Responsible Organization:

South Bend Heritage Foundation

Overall
Oct 1 thru Dec 31, 2009
To Date

Total Projected Budget from All Sources	N/A	\$620,000.00
Total CDBG Program Funds Budgeted	N/A	\$620,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Construction of new house for income eligible household.

Location Description:

Census tract 19

Activity Progress Narrative:

Construction has begun on 1024 W. Washington. No claims have been received yet. The amendment to our Action Plan has been completed and 3 vacant homes will be rehabbed in addition to the construction of 1 new home. The 3 vacant homes have been identified and the City's legal department is working on the transfer of title.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	0	0/0	0/0	0/1
# of Households benefitting	0	0	0	0/0	0/0	0/1

Activity Locations

Address	City	State	Zip
1024 W. Washington	South Bend	NA	46601

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number:	8 SBHF
Activity Title:	Acquisition/redevelopment

Activity Category:

Construction of new housing

Project Number:

4

Projected Start Date:

03/01/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Acquisition/new const/rehab

Projected End Date:

03/23/2013

Responsible Organization:

South Bend Heritage Foundation

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources	N/A	\$1,024,631.00
Total CDBG Program Funds Budgeted	N/A	\$1,024,631.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$1,024,630.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

At a minimum two new rental group homes will be constructed for the Special Need Population in South Bend.

Location Description:

The new group homes will be located in census tract 2, 3.01, 4, 5, 6, 9, 10, 14, 15, 17, 19, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 33, 34 or 111.

Activity Progress Narrative:

Properties have been purchased at tax sale for the construction of 2 new group homes for special needs very low income residents. The lots will be available for development in March. The Plans for these homes are being developed.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	0	0/0	0/0	0/2
# of Households benefitting	0	0	0	0/8	0/0	0/8

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number:	9 CODE
Activity Title:	demolition

Activity Category:

Clearance and Demolition

Activity Status:

Under Way

Project Number:

2

Project Title:

Demolition

Projected Start Date:

11/09/2009

Projected End Date:

03/23/2013

National Objective:

Low/Mod

Responsible Organization:

Department of Code Enforcement

Overall**Oct 1 thru Dec 31, 2009****To Date**

Total Projected Budget from All Sources	N/A	\$563,891.00
Total CDBG Program Funds Budgeted	N/A	\$563,891.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

demolition of dilapidated structures in areas of greatest need.

Location Description:**Activity Progress Narrative:**

A list of homes to be demolished has been submitted to code and the contracts have been signed. Additional addresses will be submitted as identified. All homes to be demolished are located in the areas of greatest need. No homes were demolished between October 1 and December 31, 2009, however 7 homes have been demolished to date in 2010 and this progress will continue.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/60

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	
